

01391

LEASE

Real and Personal Property

THIS LEASE made this 1st day of November, 1969, by and between SAYRE DEVELOPMENT CORPORATION, a local development corporation organized and existing under the provisions of Title 13 MRSA, Chapter 81, with one of its purposes to foster, encourage and assist the physical location, settlement and resettlement of recreational projects within the State of Maine, and located at Bath, in the County of Sagadahoc, State of Maine (hereinafter called "Landlord") and HYDE SCHOOL, a corporation organized and existing under the laws of the State of Maine and now located at Bath, in the County of Sagadahoc, State of Maine (hereinafter called "Tenant").

WITNESSETH THAT:

ARTICLE I Landlord does hereby demise and let unto Tenant, and Tenant does hereby lease and take from Landlord, for the term and upon the terms and conditions set forth in this Lease, a recreational project consisting of certain lot or parcel of land, with any buildings now or hereafter located thereon, situated in Bath, in the County of Sagadahoc, State of Maine, and bounded and described as follows, to wit:

A certain lot or parcel of land, with the buildings thereon, situated in Bath, in the County of Sagadahoc and State of Maine, and bounded and described as follows, to wit: Beginning at the southeast corner of land

RECORDED
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of one Gallagher as shown on a certain plan entitled, "Property Lines Established For Field House at The Hyde School in Bath, Maine, dated September 9, 1968, by L. Rouillard, Registered - 224" and recorded at the Sagadahoc County Registry of Deeds, Book and Page to be assigned, and running N 9° 37' E a distance of one hundred twenty-eight (128) feet to a point; thence running S 80° 23' E a distance of sixty-four (64) feet eight (8) inches to a stake set into the ground; thence running S 0° 33' E a distance of five hundred eighty-nine (589) feet three (3) inches to a stake at the north side of a certain right-of-way or road as shown on said plan; thence running in a general westerly direction along the north side of said right-of-way a distance of three hundred forty-six (346) feet to a stake set into the ground; thence running N 12° 43' E a distance of four hundred twenty-five (425) feet to a stake set into the ground at the south line of land of said Gallagher; thence running N 89° 18' E a distance of one hundred forty-eight (148) feet along the southerly line of land of said Gallagher to the point of beginning, together with a right-of-way or easement over other land of the Hyde School for the service of utility lines, sewer and water distribution systems or their appurtenances and for ingress and egress over any part of the property of the Hyde School, whereon said utility lines, sewer and water distribution systems are located for the purpose of maintaining an uninterrupted supply of utilities and water, also a right-of-way or easement over all roadways on land of the Hyde School as shown on a certain plan entitled, "Section of the John Hyde Estate Showing Home for Crippled Children Division, Bath, Maine, March 24, 1947, approximately 20 acres, by H. R. Lemont" recorded in the Sagadahoc County Registry of Deeds in Plan Book 8, Page 12 for the purpose

of going to and from the above described property by any and all means, with all easements, rights and appurtenances in connection therewith or thereunto belonging, together with all fixtures, machinery and equipment in or appurtenant to the above-described property and all accession and replacements thereto whether considered realty or personalty, which is more particularly described in a Security Agreement by and between CANAL NATIONAL BANK, secured party, and SAYRE DEVELOPMENT CORPORATION, debtor of even date herewith. All of the above-described is hereinafter denoted as "demised premises".

TO HAVE AND TO HOLD for a term of 20 years to commence on the first day of ^{October} ~~November~~, 1969, and to terminate on the thirty-first day of October, 1989.

ARTICLE II. The demised premises are hereby leased subject to a first mortgage ~~given by the Landlord to~~ given by the Landlord to CANAL NATIONAL BANK under even date herewith in the original principal amount of *Two Hundred Seventy-Thousand* Dollars (\$270,000.00) and ~~hereinafter~~ (hereinafter called "said instruments"). It is expressly understood and agreed that the rentals payable hereunder may be assigned by the Landlord to the holder of said instruments.

ARTICLE III. Tenant agrees to pay to Landlord lease rental payments in advance on the day of each and every month, commencing on *October 1, 1969*, in the amount of *Two Thousand One Hundred Thirty-Five*

Dollars (\$2,135.00) each (hereinafter referred to as "base rental payments") plus an amount computed at (a) one-twelfth of the annual mortgage insurance premiums required to be paid to the Maine Recreation Authority by the holder of said instruments on the date of said instruments and thereafter on each anniversary thereof during the term of this Lease, (b) one-twelfth of annual land lease rentals, if any, (c) one-twelfth of local, municipal, county, state and federal taxes and assessments levied or assessed, or to be levied or assessed, upon the demised premises for the ensuing lease year as estimated by the holder of said instruments, (d) one-twelfth of replacement cost hazard insurance premiums for the ensuing lease year covering the demised premises, (e) one-twelfth of annual rental insurance premiums for the ensuing lease year covering the demised premises and (f) such other payments as the Landlord legally may be required to pay. Tenant shall also pay to Landlord on November 1, 1969, a sum equal to land lease rentals; local, municipal, county, state and federal taxes and assessments; replacement cost insurance premiums and rental insurance premiums which will next become due and payable by Landlord reduced by any amounts payable under (a), (b), (c), (d), and (e) above. Tenant agrees to pay all costs of heating, lighting, water, other utilities, physical maintenance and other costs and expenses incident to the use and maintenance of the demised premises.

ARTICLE IV. Tenant covenants and agrees:

(a) To keep the fixtures, machinery and equipment at Bath, in the municipality of Bath, Maine, during the term of this Lease.

(b) To quit and deliver up the demised premises to Landlord or its attorney peaceably and quietly at the end of the term aforesaid in as good repair, order, and condition as the same now are or hereafter may be put into, reasonable use and wear expected.

(c) Not to assign this Lease, nor sublease the demised premises, or any part thereof, without the written consent of the Landlord.

(d) Not to use the demised premises for any purpose other than a purpose which qualifies as a recreational project within the meaning of Title 10 MRSA Chapter 701, and not to use or occupy the demised premises for any unlawful purpose; and to conform to and obey all present and future laws and ordinances, and all rules, regulations, requirements and orders of all governmental authorities or agencies respecting the use and occupation of the demised premises.

(e) Not to use or occupy the demised premises for any purpose or business which will create unduly hazardous situations not covered by insurance in force, without the written consent of the Landlord.

(f) To permit the Landlord or its duly authorized agent, and agents of Maine Recreation Authority, to enter on the demised premises at all reasonable times to examine the condition of the same.

(g) To repair and to keep and maintain, at its own expense, the interior and exterior of every building, fixture and improvement, which at any time during the term of this Lease may be situated on the de-

demised premises, in good repair, order and condition.

(h) Not to commit or permit any strip or waste of the demised premises.

(i) To make no structural alterations of any building upon the demised premises without the written consent of the Landlord.

(j) To furnish to Landlord and to the Maine Recreation Authority annual audited year-end balance sheets, income statements for each fiscal year and analysis of surplus covering each fiscal year, within ninety (90) days after the close of each of its fiscal years while this Lease is in force.

ARTICLE V. It is expressly understood and agreed that payments, if any, made from the proceeds of rental insurance shall be in lieu of monthly amounts required to be paid by Tenant under ARTICLE III of this Lease. Tenant further covenants and agrees that damage to or partial destruction of the demised premises at any time by fire, or by any other casualty whatsoever, shall not terminate this Lease or authorize Tenant to quit or surrender possession of the demised premises or any part thereof. The parties further covenant and agree that in the event of total or substantially total destruction of all buildings upon the demised premises, at the election of either party upon written notice to the other within thirty (30) days of such destruction, this Lease may be terminated. Even though Landlord shall have elected to exercise the right of termination aforesaid, Tenant may, within a period of sixty (60) days after receipt of notice of such election, nevertheless

exercise its option to purchase, pursuant to the provisions of ARTICLE VIII (a) hereof. If this Lease is terminated by Landlord, or if Tenant exercises its option to purchase as aforesaid, then and in either such event, the amount of insurance, recoverable or recovered as a result of such destruction, which exceeds that amount which Landlord would have received, if Tenant had exercised its option to purchase, shall be paid over to Tenant. If this Lease is terminated by Tenant, Landlord shall retain all insurance proceeds. It is further understood and agreed that in the event any building fixtures, machinery or equipment upon the demised premises is damaged or destroyed by fire, or by any other casualty, during the term of this Lease, and this Lease is not terminated under the provisions of the previous paragraph hereof, Tenant will at its sole cost and expense, promptly rebuild, repair, restore and replace said damaged or destroyed building fixtures, machinery or equipment as soon as reasonably possible thereafter to at least as good condition as the same was in immediately preceding such damage or destruction. Tenant shall not be liable for rent under terms of this Lease during such time and to the extent that any building, buildings, or part of a building upon the demised premises shall have been destroyed or damaged by fire or other unavoidable casualty so that the same shall be rendered unfit for use and habitation.

ARTICLE VI. All proceeds of replacement cost hazard insurance received by Landlord shall be made available to Tenant for meeting the cost of rebuilding, repairing, restoring and replacing said damaged or destroyed building, fixtures, machinery and equipment upon Tenant filing with Land-

lord (a) a written request therefor, (b) a certificate, signed and verified by either the President or the Treasurer of Tenant, showing in reasonable detail a description of the rebuilding, repairing, restoring or replacing of said building and the cost thereof and stating that the entire cost thereof has been paid by Tenant and (c) an opinion of counsel (who may be counsel for Tenant), satisfactory to Landlord, that title to the demised premises and to such rebuilding, repairs, restorations and replacements is free and clear of any liens arising out of such rebuilding, repairs, restorations and replacements and that said mortgage is a valid first mortgage thereon.

ARTICLE VII. Tenant agrees that in the event Tenant shall be adjudicated insolvent or bankrupt pursuant to the provisions of any state or federal insolvency or bankruptcy act, including also the provisions of Chapter X of the National Bankruptcy Act, or if a receiver or trustee of all or a substantial part of the property of Tenant shall be appointed by a court of competent jurisdiction and such adjudication or appointment shall not be vacated or stayed on appeal or otherwise or shall not otherwise cease to continue in effect within thirty (30) days after such adjudication or appointment and such receiver or trustee shall not be discharged within thirty (30) days after such appointment, or if Tenant shall file a voluntary petition in bankruptcy, or make an assignment for the benefit of its creditors, or make a compromise agreement with its creditors, or shall consent to the appointment of a receiver or a trustee of all or a substantial part of its property or shall file a petition or answer seeking reorganization or arrangement under the National Bankruptcy Act or any other applicable law or statute of the United States of

... which ...
 America or of any state thereof, or shall file a petition to take advantage of any insolvency act, or shall fail to comply with any of the terms, covenants, agreements and conditions of this Lease to be complied with by Tenant within thirty (30) days after receipt of written notice from Landlord specifying said failure to comply, Landlord may immediately thereafter enter upon the demised premises and expel Tenant or those claiming under it and remove it or its effects without prejudice to any claim for damage or right of action or remedy which might otherwise be had or used for arrears of rent or preceding breach of covenants or conditions.

ARTICLE VIII. (a) Tenant, if then occupying the demised premises and not in default in compliance with any of the terms, covenants, agreements and conditions contained in this Lease to be complied with by Tenant, shall have an option to purchase the demised premises from Landlord at any time prior to the expiration of the term hereof at a price equal to the unamortized principal balance of the cost of such industrial buildings, land improvements, fixtures, machinery and equipment computed on the basis of applying the base rental payments made hereunder to the amortization of such cost together with interest thereon at the rate equal to the interest payable on said instruments by applying such base rental payments first to the payment of such interest and the balance to principal, plus accrued interest and the balance to principal, plus accrued interest on such unamortized principal from the date of such last base rental payment to the date of such purchase.

(b) At the expiration of the term of this Lease, Tenant shall have an option for ninety (90) days to purchase the demised premises

for one dollar (\$1.00), provided Tenant shall have fully and faithfully complied with all the terms, covenants, agreements and conditions contained in this Lease to be complied with by Tenant.

(c) Landlord hereby represents and warrants that it has good and marketable title to the demised premises subject to said instruments and that it will sell and convey the demised premises to Tenant upon the exercise of Tenant's option as set forth in subdivisions (a) or (b) hereof, free and clear of all liens, charges and encumbrances.

ARTICLE IX. It is mutually agreed that all of the provisions hereof are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate paragraph hereof, and that all the provisions hereof shall bind and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns.

IN WITNESS WHEREOF SAYRE DEVELOPMENT CORPORATION,
as Landlord, and HYDE SCHOOL, as Tenant, have caused these presents to
be executed in triplicate by their proper corporate officers, thereunto duly
authorized, and their corporate seals to be hereunto affixed as of the
first day of November, 1969.

Signed, sealed and delivered
in the presence of

SAYRE DEVELOPMENT CORP.
Landlord

By: Leonard C. Mulligan

HYDE SCHOOL
Tenant

By: T. T. Schul

State of Maine
Sagadahoc, ss.

November 1, 1969.

Personally appeared the above-named, LEONARD C. MULLIGAN,
Treasurer of said SAYRE DEVELOPMENT CORPORATION, and acknowledges
the foregoing instrument to be the free act and deed of said corporation and
his free act and deed in his said capacity.

Before me,

Leonard C. Mulligan
Notary Public

State of Maine
Sagadahoc, ss.

November 1, 1969.

Personally appeared the above-named, T. TARPY SCHULTEN,
President of said HYDE SCHOOL, and acknowledged the foregoing instrument
to be the free act and deed of said corporation and his free act and deed in
his said capacity.

Before me,

Notary Public



SAGADAHOC, SS.
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